

108TH CONGRESS  
1ST SESSION

# S. 811

To support certain housing proposals in the fiscal year 2003 budget for the Federal Government, including the downpayment assistance initiative under the HOME Investment Partnership Act, and for other purposes.

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## IN THE SENATE OF THE UNITED STATES

APRIL 8, 2003

Mr. ALLARD (for himself and Mr. SESSIONS) introduced the following bill; which was read twice and referred to the Committee on Banking, Housing, and Urban Affairs

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## A BILL

To support certain housing proposals in the fiscal year 2003 budget for the Federal Government, including the downpayment assistance initiative under the HOME Investment Partnership Act, and for other purposes.

1       *Be it enacted by the Senate and House of Representa-*  
2       *tives of the United States of America in Congress assembled,*

3       **SECTION 1. SHORT TITLE.**

4       This Act may be cited as the “American Dream  
5       Downpayment Act”.

1 **SEC. 2. DOWNPAYMENT ASSISTANCE INITIATIVE UNDER**  
 2 **HOME PROGRAM.**

3 (a) DOWNPAYMENT ASSISTANCE INITIATIVE.—Sub-  
 4 title E of title II of the Cranston-Gonzalez National Af-  
 5 fordable Housing Act (42 U.S.C. 12821) is amended to  
 6 read as follows:

7 **“Subtitle E—Other Assistance**

8 **“SEC. 271. DOWNPAYMENT ASSISTANCE INITIATIVE.**

9 “(a) GRANT AUTHORITY.—The Secretary may make  
 10 grants to participating jurisdictions to assist low-income  
 11 families to achieve homeownership, in accordance with this  
 12 section.

13 “(b) ELIGIBLE ACTIVITIES.—

14 “(1) IN GENERAL.—Grants made under this  
 15 section may be used only for downpayment assist-  
 16 ance toward the purchase of single family housing  
 17 by low-income families who are first-time home-buy-  
 18 ers.

19 “(2) DEFINITION.—For purposes of this sub-  
 20 title, the term ‘downpayment assistance’ means as-  
 21 sistance to help a family acquire a principal resi-  
 22 dence.

23 “(c) HOUSING STRATEGY.—To be eligible to receive  
 24 a grant under this section for a fiscal year, a participating  
 25 jurisdiction shall include in its comprehensive housing af-

1   fordability strategy submitted under section 105 for such  
2   year, a description of the use of the grant amounts.

3       “(d) FORMULA ALLOCATION.—

4           “(1) IN GENERAL.—For each fiscal year, the  
5       Secretary shall allocate any amounts made available  
6       for assistance under this section for the fiscal year  
7       in accordance with a formula, established by the  
8       Secretary, that considers a participating jurisdic-  
9       tion’s need for and prior commitment to assistance  
10      to homebuyers.

11          “(2) ALLOCATION AMOUNTS.—The formula re-  
12      ferred to in paragraph (1) may include minimum  
13      and maximum allocation amounts.

14      “(e) REALLOCATION.—

15          “(1) IN GENERAL.—Except as provided in para-  
16      graph (2), if any amounts allocated to a partici-  
17      pating jurisdiction under this section become avail-  
18      able for reallocation, the amounts shall be reallo-  
19      cated to other participating jurisdictions in accord-  
20      ance with the formula established pursuant to sub-  
21      section (d).

22          “(2) EXCEPTION.—If a local participating juris-  
23      diction failed to receive amounts allocated under this  
24      section and is located in a State that is a partici-

1       pating jurisdiction, the funds shall be reallocated to  
2       the State.

3       “(f) APPLICABILITY OF OTHER PROVISIONS.—

4               “(1) IN GENERAL.—Except as otherwise pro-  
5       vided in this section, grants made under this section  
6       shall not be subject to the provisions of this title.

7               “(2) APPLICABLE PROVISIONS.—In addition to  
8       the requirements of this section, grants made under  
9       this section shall be subject to the provisions of title  
10      I, sections 215(b), 218, 219, 221, 223, 224, and  
11      226(a) of subtitle A of this title, and subtitle F of  
12      this title.

13              “(3) REFERENCES.—In applying the require-  
14      ments of subtitle A referred to in paragraph (2)—

15                      “(A) any references to funds under subtitle  
16                      A shall be considered to refer to amounts made  
17                      available for assistance under this section; and

18                      “(B) any references to funds allocated or  
19                      reallocated under section 217 or 217(d) shall be  
20                      considered to refer to amounts allocated or re-  
21                      allocated under subsection (d) or (e) of this sec-  
22                      tion, respectively.

23              “(g) ADMINISTRATIVE COSTS.—Notwithstanding sec-  
24      tion 212(c), a participating jurisdiction may use funds  
25      under subtitle A for administrative and planning costs of

1 the jurisdiction in carrying out this section, and the limita-  
2 tion in section 212(c) shall be based on the total amount  
3 of funds available under subtitle A and this section.

4 “(h) FUNDING.—

5 “(1) FISCAL YEAR 2002.—This section con-  
6 stitutes the subsequent legislation authorizing the  
7 Downpayment Assistance Initiative referred to in the  
8 item relating to the ‘HOME Investment Partner-  
9 ships Program’ in title II of the Departments of  
10 Veterans Affairs and Housing and Urban Develop-  
11 ment, and Independent Agencies Appropriations Act,  
12 2002 (Public Law 107–73; 115 Stat. 666).

13 “(2) SUBSEQUENT FISCAL YEARS.—There is  
14 authorized to be appropriated to carry out this sec-  
15 tion \$200,000,000 for each of fiscal years 2003  
16 through 2006.”.

17 (b) RELOCATION ASSISTANCE AND DOWNPAYMENT  
18 ASSISTANCE.—Subtitle F of title II of the Cranston-Gon-  
19 zalez National Affordable Housing Act is amended by in-  
20 serting after section 290 (42 U.S.C. 12840) the following:

1 **“SEC. 291. RELOCATION ASSISTANCE AND DOWNPAYMENT**  
2 **ASSISTANCE.**

3 “The Uniform Relocation Assistance and Real Prop-  
4 erty Acquisition Policies Act of 1970 (84 Stat. 1894) shall  
5 not apply to downpayment assistance under this title.”.

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